IJDIAS International Journal of Discoveries and Innovations in Applied Sciences

| e-ISSN: 2792-3983 | www.openaccessjournals.eu | Volume: 2 Issue: 6

Advantages Mechanisms of the Cluster System in Ensuring the Competitiveness of Agricultural Products

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Abstract:

of course, the introduction of a cluster system in ensuring the competitiveness of agricultural products is a topical issue today. In this regard, this article develops recommendations on the mechanisms for implementing a cluster system to ensure the competitiveness of agricultural products.

Keywords: competition, cluster policy, contractual relations, cooperation, specialization, concentration, production cluster, innovation cluster, privatization, cooperation or clustering mechanisms.

I. Introduction

The experience of many developed and leading countries in the world economy shows that to ensure competitiveness and gain a foothold in world markets, first of all, to gradually reform the economy, deepen restructuring and diversification, This is evidenced by the rapid development of new high-tech enterprises and industries, the modernization of existing facilities and the acceleration of the process of technical and technological modernization to ensure the production of quality and competitive products. World practice has shown that the clustering of the economy is predetermined and has a decisive impact on increasing competitiveness and the process of accelerating the innovative activity of enterprises. Implementation of the following measures in the Decree of the President of the Republic of Uzbekistan dated October 23, 2019 No PF-5853 "On approval of the Strategy of agricultural development of the Republic of Uzbekistan for 2020-2030" Special attention is paid to the issue of "... a system of production, processing, storage and sale of products to domestic and foreign markets on the basis of cooperation and cluster system will be established." [1]

II. Literature Review

M. Porter was the first scientist to begin a comprehensive study of clusters. He concludes that the network (industry) approach to the organization and management of production in the context of globalization is losing its position, and cluster systems of interaction between firms and organizations are in the forefront. [6]

M.A. According to Khvesik and A.S. Lesitsky, it is expedient to form two clusters in the agricultural sector - innovation and production. [8]

1. Innovation cluster is a joint centralized action of scientific, research and development institutes, educational institutions, consulting companies, engineering firms, business structures using corporate hierarchy and market mechanism to support innovative providers and other organizations combining through coordination is the most advanced form of achieving competitive advantages.

2. Production cluster - unites agricultural producers, processing and storage of products, a network of logistics and marketing companies, service enterprises. Its main advantages are closer and "cheaper" inter-farm relations, the existing conditions for the application of economies of scale through the joint use of productive forces, as well as the creation of a closed production cycle, compared with the network system of organization of agricultural production. through the achievement of significant competitive advantages, storage and processing of products.

Comparative, logical, and abstract ways of thinking were used in the research process.

Discussion and results

The competitiveness of agricultural products is a microeconomic category, so raising its level is a reflection of the interests of the agrarian sector of the economy. The dialectic of competitiveness in the supply of agricultural products is that it reflects the unity of the agricultural sector and the economic interests of the state, as well as its contradictions. The competitiveness of agricultural products is viewed in terms of the competitiveness of the national economy, that is, on the one hand, if the level of competitiveness of agricultural products is determined to some extent by macroeconomic factors, their regulation is the responsibility of the state. On the other hand, strengthening the competitiveness of agricultural products will allow solving a number of macroeconomic problems in the field of national economic interests, in particular, economic and food security.

In order to realize the competitive potential of the country's regions, it is necessary to create a network of regional production clusters, as well as develop a concept of long-term socio-economic development, including the formation of a number of high-tech clusters in the country.

Intersectoral integration of agriculture is the organization of joint activities using the mechanisms of corporatization, cooperation or clustering. Today, large farms provide their development through the mechanisms of corporatization, medium and small farms - the mechanisms of cooperation and clustering. Cluster entities play an important role in increasing the competitiveness of agriculture. The use of the clustering mechanism allows all technologically dependent farms located in a given area to organize their joint activities without losing their legal independence, due to their deep production specialization. Comparison of joint agricultural activities within the cluster with other forms of integration is characterized by the following features:

- ✓ territorial localization, geographical proximity of the main part of the business entities participating in the cluster;
- ✓ high level of development of cooperation, specialization and concentration;
- ✓ stability of economic relations of the participants of the cluster system, the predominance of these relations for most of its participants;
- ✓ Presence of a large leading organization that determines the long-term economic, investment, innovation and other strategies of all cluster members;
- ✓ long-term coordination of interaction between cluster members in the framework of innovative production processes, key management systems, quality control;
- ✓ Common products (goods, services, goods, brand) for all participants, such as cereals, vegetables, milk, meat, poultry eggs, etc.
- ✓ Voluntary and open membership in independent enterprises, cooperatives and trust clusters on the basis of equality between product chain participants;

- ✓ close interaction of the cluster association with the authorities;
- ✓ availability of an arbitration court;
- ✓ the mechanism of formation and operation of clusters has a regional synergistic effect, which combines or shares resources (material, labor, financial, information, innovation), reduces transaction costs, enters the market, solves and balances the interests of participants, o ' by forming an effective system of z-self-organization.

World practice shows that clusters are one of the forms of adapting the economic mechanism of operation of agricultural enterprises in a competitive environment, accelerating the development of agro-industrial production, increasing the competitiveness of individual businesses and agricultural products, effective organization of innovation processes formation of a unique economic space in order to expand trade, efficient use of capital and resources.

The innovative structure of the cluster helps to reduce the overall cost of research and development of innovations by increasing the efficiency of the production structure, allowing cluster members to carry out innovative activities on a continuous basis for a long time. Thus, a cluster performs several key functions simultaneously:

Scientific, technical, organizational and economic innovations are spread from one enterprise to another, ensuring a steady increase in productivity in the cluster as a whole;

Costs will be reduced, and opportunities for research and development of innovations will increase due to the proximity of related enterprises;

All cluster members will have a synergistic effect due to the stability of interactions, cost reduction and rational use of material, natural and labor resources;

All cluster members gain additional competitive advantages under the cumulative effect of scale effects and synergies.

As the cluster is a “growth point” in the socio-economic development of the regions, clustering of agricultural products is one of the key factors in ensuring the sustainable development of the agricultural sector and increasing the competitiveness of agriculture. The agro-industrial cluster has a number of features to increase the competitiveness of agriculture:

1. A regional agro-industrial cluster is a group of one or more (adjacent to agriculture) industries (geographical localization of agricultural products) that are geographically close enough to deal with agro-industrial production. voluntary association of used enterprises, institutions or other organizations.

2. Competitive advantage is created not only by business entities, but also by their regional multi-level and multi-sectoral associations.

3. Consumption of consumers is carried out not by individual agriculture, but by a complex of regional enterprises - a cluster.

4. Concentration of resources will be carried out within the cluster, their use will be aimed at achieving the common goal set and accepted by all participants, creating a single economic and information space, managing labor force, pooling intellectual capital and interaction with financial resources. Support options appear.

5. Cluster entities may jointly represent the interests of cluster members in public authorities.

6. Cluster formation can create new jobs and thus provide permanent employment in the face of reforms and macro-structural destabilization processes.

ISSN 2792-3983 (online), Published under Volume: 2 Issue: 6 in Jun-2022

7. Cluster formations have a high level of competitiveness because they allow:

- large-scale production;
- creation of sustainable competitive advantages over independent enterprises;
- effective marketing policy;
- training of highly qualified personnel;
- introduction of innovative technologies;
- use of progressive quality standards for the production of environmentally friendly and quality products;
- Reducing the level of production costs under the influence of synergies and improving the quality of products, including the integration of approaches to quality management, logistics, engineering, information technology;
- expansion of markets for agricultural products due to access to world markets;
- to create an effective system for receiving and exchanging information on supply and demand in the market, as well as the achievements of competitors.

Cluster development can become a feature of the modern innovative economy as a factor in increasing the competitiveness of agriculture and the agro-industrial complex in general. Based on the experience gained in the operation of clusters, we have developed the concept of clustering during our research. The core of this concept is that there are five necessary conditions - “5I” that a cluster can provide viable, self-sufficient, successful and effective education (Table 1).

An element of the 5I concept	Essence
Initiative	entrepreneurs, agricultural, civil servants, public organizations, and enterprising people from among educational institutions who are only able to prove the integration, motivation, and usefulness of clusters by their powers, minds, organizational skills, and knowledge.
Information	provides availability, transparency, data exchange, creation of databases and web pages, allows you to take advantage of market access
Integration	provides for the use of new technologies of cooperation between farms at the sectoral and regional levels with the support of science and public authorities
Interest	in which case the conditions for the life of the entrepreneur or the social structure are not provided and implemented. This condition assumes that the participants in the cluster associations are interested in economic benefits.
Innovation	only new technologies in the organization of production, sales, management, financing, which can open up new opportunities in competition

In addition, the conditions for the creation and operation of clusters can be conditions for simultaneous investment in promising new technological projects.

ISSN 2792-3983 (online), Published under Volume: 2 Issue: 6 in Jun-2022

Conclusion.

- In conclusion, the advantages of clustering for agriculture in our country should be as follows:
- Ability to share capital and accelerate innovation;
- resource sharing, savings in procurement and storage;
- Determining the effective specialization of the farm in accordance with the territory of each individual enterprise of the agro-industrial complex, the scope of activities and the specifics of its activities;
- distribution of markets in accordance with the capabilities of specialization and activity, prevention of inefficient competition;
- Saving the scale of cooperation and eliminating the shortcomings of so-called small businesses, reducing some costs;
- Reduction and distribution of risks due to cooperation and synergy;
- increase the level of competitiveness of the agricultural sector;
- increase the sustainability of individual enterprises and the network;
- Establish long-term relationships, including between producer and consumer.

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ISSN 2792-3983 (online), Published under Volume: 2 Issue: 6 in Jun-2022